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***INTERNATIONAL BIBIS TIN MINES LIMITED***

***Annual Report***

***for the year ended  
December 31, 1965***





Sn (Stannum)  
the chemical symbol for tin

## INTERNATIONAL BIBIS TIN MINES LIMITED

### *Officers and Directors*

C. W. E. SCOTT, Willowdale, Ontario, *President and Director*  
D. W. SULLIVAN, B.Sc., Oakville, Ontario, *Vice-President and Director*  
C. M. BAHM, Toronto, Ontario, *Secretary and Director*  
F. G. NEASE, Toronto, Ontario, *Director*  
W. T. WHITESIDE, Clarkson, Ontario, *Director*

### *Transfer Agent and Registrar*

GUARANTY TRUST COMPANY OF CANADA  
Toronto, Montreal and Vancouver

### *Auditors*

THORNE, MULHOLLAND, HOWSON & MCPHERSON  
Toronto, Ontario

### *Head Office*

Suite 401 - 80 Richmond St. W.  
Toronto 1, Ontario



THE ANNUAL AND GENERAL MEETING  
of Shareholders of  
**INTERNATIONAL BIBIS TIN MINES LIMITED**

will be held on  
THURSDAY, JULY 7th, 1966  
at 10:30 am., Toronto Time

at the  
BOARD OF TRADE BUILDING  
11 Adelaide Street West  
Toronto, Canada





# Directors' Report

## TO THE SHAREHOLDERS:

### General Meeting of Shareholders

On May 16, 1966, your Company entered into an agreement with Cornwall Tin Mines Corporation, Antilles Holdings Limited, Chemalloy Minerals Limited, Chesterville Mines Limited, Jacobus Mining Corporation, Alator Corporation Limited, Amptill Investments Limited, John George Percival Pendarves, (Vendors), whereunder your Company will acquire the balance of the issued shares of its subsidiary, Cornish Explorations Limited and 100% of the capital stock of Pendarves Minerals Limited (Pendarves), Ramsgate Minerals Limited (Ramsgate) and Barrripper Minerals Limited (Barrripper) for a total consideration of the issuance to the Vendors of 1,500,000 treasury shares of the Company.

This is the agreement that will be considered by you as shareholders and constitutes the business of the general meeting.

The attached Schedule A reflects the particulars of the assets to be acquired by your Company and the details of the consideration to be paid therefor to each of the Vendors.

In accordance with the requirements of the Toronto Stock Exchange, 1,000,000 shares forming part of the consideration to be paid to the Vendors were required to be fully escrowed and as a result thereof, an agreement was entered into between the Vendors and your Company dated June 15, 1966, which amends the provisions of the original agreement dated May 16, 1966, and allocates thereunder the number of free and escrowed shares issued to each Vendor. The amending agreement also provides for the extension of certain dates which relate to the completion and closing of the transaction.

In order to obtain the agreement of Antilles Holdings Limited (the Vendors of the 97% interest in Barrripper) to complete the transaction on the basis of the allocation of escrowed shares, it was necessary that Chemalloy, Chesterville and Jacobus grant to Antilles a six months' option, at 70¢ per share, to purchase 220,000 of the free shares received by them under the sale agreement.

C. W. E. SCOTT  
President



In acquiring these shares, your Company also acquires a 40% net carried interest in the joint venture agreements covering each company's properties, all dated October 2, 1965, with Guggenheim Exploration Company of Cornwall, Inc., Pacific Tin Consolidated Corporation and Tehidy Minerals Limited (hereinafter called "Guggenheim").

### Previous Interest — English Tin Properties

Prior to the agreement dated May 16, 1966, the Company's chief asset consisted of its interest in tin properties in the Camborne Area, Cornwall, England, which comprised a 20% interest in 213 acres under joint venture agreement with Guggenheim.

### Present Interest — English Tin Properties

After giving effect to the agreement of May 16, 1966, the Company will own a 40% interest in 731 contiguous acres in the Camborne Area, Cornwall, England, all under agreements with Guggenheim. The new properties brought into your Company as a result of the agreements which are of particular interest are the Barrripper and Ramsgate properties where drilling results have indicated significant extensions of the vein strike length.

### Advantages in Consolidating Tin Interests

There are many reasons in favour of consolidating the Camborne Area tin properties into one company. The various properties are covered by joint venture exploration agreements with Guggenheim and with separate agreements Guggenheim is restricted in its freedom of examination of ore zones from boundary line to boundary line. It also means that Guggenheim is only dealing now with one person and there is no worry about plant site, way leave charges where ore is



shipped from property to property or party walls. Also Guggenheim will only be required to keep one set of records and generally they were delighted with the prospect that all interest would be placed into one company. In fact, it is a source of additional encouragement for them to proceed as rapidly as possible with the proposed underground exploration.

Another important consideration is that the Company is in effect doubling its chief asset without the outlay of any cash and for a very reasonable amount of its treasury shares.

Other advantages to consolidating the interests in the English tin properties are set out in a report to the Company dated June 3, 1966, prepared by D. W. Sullivan, P.Eng. of Scope Mining and Exploration Consultants Limited and are stated as follows:

- “1. One mining and milling operation with one overall technical staff is all that would be required. This could conceivably mean a considerable saving in an overall cost per ton as compared to one or more small operations, and there would be no duplication of effort.
2. Should orebodies be located embracing two or more of the properties, then underground development can proceed more efficiently and cheaply. Also, there would be no necessity of leaving ore in party-wall boundaries as required by law.
3. One technical staff can efficiently and more quickly direct an overall exploration and development program.
4. As we know from experience, many difficulties and loss of time arise out of getting permission for any surface exploration, drilling, shaft sinking, etc. from the local Water Board and Planning Commission. This would be simplified by making one application which would have more technical reasons to support any requests.
5. Future milling tests would be more cheaply done and more representative under one operation.
6. There is a complex system of old adits existing in Cornwall, some of which now carry water for local towns. The locations are not always accurately known. Under amalgamation of the four properties, these can be more accurately located, plotted and used to advantages by a single mining company, and closer co-operation can be had with local authorities as mentioned earlier.
7. Ultimate waste rock and tailings disposal will be simplified.”

A. C. A. Howe of A. C. A. Howe & Associates Ltd. also sets out his views of the advantages of the merging of interests in a report to the

Company dated June 4, 1966, which reads as follows:

“In reply to your question concerning the merits of International Bibis acquiring the interests of their partners in the Cornish properties presently being explored by Guggenheim's, the following are my comments:—

I understand that Guggenheim are proposing an underground program on the properties. They are therefore faced with the problem of dealing with four separate properties controlled by two or more groups owning different proportions of each property. I cannot therefore discover any disadvantage in merging all these interests into one whole controlled by Bibis.

There are however overwhelming advantages in merging all interests, such as

- 1) The problem for Guggenheim of obtaining agreement from four people instead of one on any subject.
- 2) The physical and legal problems involved in a mining operation in this area, such as dealing with local boards for surface rights, water pollution, permission to build and to sink shafts, etc. It is difficult enough dealing on behalf of one property, but much more difficult on behalf of four. Since the local councils are extremely critical of mining operations, because of their possible effects on tourism, this may be a major problem.
- 3) If the properties remain as separate entities each owner will be concerned with possible damages to his property such as flooding, fire and subsidence underground, and disposal of dumps, tailings, water, and erection of buildings on surface. He will therefore require stringent safeguards or heavy compensation for damages. However if all interests are merged, each owner would be concerned with the success of the whole project rather than his own property, thus saving costly precautionary measures and probably higher insurance rates.
- 4) In the event of production four sets of accounting will be required, involving separate tax problems, royalties, net profits, etc. From the tax point of view, it should be simpler to write off a loss on one property against the profit on another, if the properties were merged.
- 5) The extensions of the R zone appear to occur on three properties, namely Bibis, Ramsgate and Barripper. In the event of production, separate controls will be required for each property in order to calculate the profits accruing to each property. This will entail added costs due to the following:—



- a) Mining methods will be affected, since stopes cannot cross the boundaries.
- b) Close sampling control to determine grade from each property, and mill tests to compare underground sampling with the mill heads.
- 6) Various other problems which may occur if the properties are separated, and can be more easily solved if they are merged, such as locations of:—
  - a) Mill site
  - b) Roads
  - c) Tailings dumps

In summary, a merger of all interests may make the difference between a favourable decision to commence underground operations or not, since there are so many added costs and problems involved when operating as four separate properties as compared with one unit."

### Report on Exploration Costs

The Vendors have to date made advances for exploration in connection with their properties of an amount of \$166,198.59. Your Company has been advised that Guggenheim has expended approximately an amount of \$120,000.00 U.S. funds to date on their exploration. The major part of such expenditure was the cost of 10,000 feet of diamond drilling. Your Company has to date made expenditures on exploration of \$201,424.24. Guggenheim under the joint venture agreement will be required to make any further expenditures on exploration and development and in this regard, Guggenheim is presently assessing the results to date as a basis for the underground programme pursuant to the terms of the said joint venture agreement.

### Review of Progress of Exploration

A total of about 25,000 feet of drilling has now been completed on the properties. The work carried out by Guggenheim has been directed mainly to check out the drill results obtained on the R Zone by your Company prior to the joint venture agreement. On the basis of the drilling programme, it can now be reported:

- That results previously obtained by your Company appear to have been confirmed within reasonable limits.
- Drilling results on narrow veins with irregular metal content are always difficult to interpret, especially since core recovery is not always good. It is for this reason that a next stage of underground exploration now appears to be necessary.
- Four new holes were drilled in the Barrigger property and these appear to indicate sig-

nificant extensions of vein strike length in that property. This is on structures north of the complex "R" Zone vein system.

- Further drilling on the Tryphena vein and the "Q" vein has also added some possible additional strike length on these structures.

Your Board is of the opinion that sufficient information has now been gathered to warrant the planning of a shaft for underground exploration and development. This means possibly several lodes or some wide good lodes have been cut which would justify going underground to obtain verification.

### Other Activities

Your Company's other tin mining venture in Cornwall, Tolgarrick Tin Limited, a tin streaming operation, in which a 10% interest is directly held, is reported proceeding satisfactorily. Actual production has now commenced, although not yet at capacity. It is expected that adjustments and the installation of new feed facilities will be completed in June after which production at the rate of 170 tons daily, increasing to a maximum of 325 tons daily, can be achieved. We can, therefore, expect that before long, your Company may be receiving income from this source.

Your Company continues to maintain an active policy of field exploration on properties in Canada in addition to the Cornwall project. Work will now be concentrated on a block of 18 claims in the Cheticamp district of Cape Breton Island, Nova Scotia, held under option. We are planning a programme of geophysical and geochemical surveying to be carried out this summer to be followed by diamond drilling as may be warranted. This is the region that came into prominence several months ago with the report of a surface discovery of silver, lead and zinc on the property of Barrington Explorations. Numerous other companies have since acquired ground in the area and it has been reported that an aerial geophysical survey is to be carried out over a number of properties.

Recently a programme of diamond drilling was completed on a property in Thackeray Twp., in the Larder Lake region of northeastern Ontario. Results were inconclusive and we do not plan any further expenditures here unless work elsewhere in the immediate vicinity dictates, in the opinion of our consultants, further investigation. We understand that a programme of diamond drilling is to be carried out on a neighbouring property this summer.

### Annual Meeting of Shareholders

As you will determine from the notice which accompanies this letter, the annual meeting of shareholders will be combined with the general meeting of shareholders as referred to above. In



connection with the annual meeting, there is attached the financial statement of the Company for the year ended December 31, 1965, which shows that your Company at this time for the purposes of our immediate objectives has approximately \$100,000.00 in working capital available.

#### Board of Directors

The Board of Directors proposed by management will consist of C. M. Bahm, Douglas W. Sullivan, P.Eng. of Scope Mining and Exploration Consultants Limited, C. William Streit of J. Bradley Streit and Company, Archibald B. White-law, Q.C., and myself.

#### Proxy

The enclosed proxy will cover both the annual meeting and the general meeting of shareholders and is made available to shareholders unable to attend the meetings in person. It is hoped that such shareholders will sign and return their proxies promptly in the stamped addressed reply envelope provided.

#### Future View and Tin Markets

Your directors feel quite optimistic about the coming year in which your Company anticipates substantial progress towards development of its tin properties in Cornwall which have now been joined under one roof so to speak with the objective of establishing a new producing and profiting tin mining operation in one of the world's oldest tin mining countries, England.

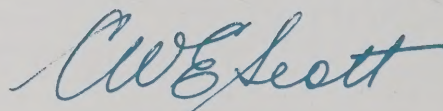
As brought to your attention on previous occasions, the mining area around Camborne,

Cornwall, produced 67% of the total mineral production in England valued, according to the New York Times article under date of June 23, 1963, at \$6 billion. At current prices, this would be equivalent to \$9 billion and two of the original mines are still in operation, one of which is the South Crofty mine which reported a net profit in 1965 of \$710,328.00 from the mining of 88,760 tons of ore treated or the equivalent of 245 tons daily. The present market price on tin is approximately \$3,900.00 per ton.

It is the intention of your directors to pursue an active programme of field exploration in Canada and in this regard, the shareholders will be kept fully informed of the Company's progress.

Your directors have unanimously approved of the transaction with the various Vendors as outlined above.

On behalf of the Board.



President

Toronto, Ontario  
June 15, 1966



# INTERNATIONAL BIBIS TIN MINES LIMITED

## Schedule A

Shares of the Company to be issued	Vendor	Shares of Pendarves	Assets Acquired			Cash Advances	Other
			Shares of Ramsgate	Shares of Barrister	Shares of Cornish		
225,000	Cornwall Tin Mines Corporation	50	50			\$ 3,624.53	
429,750	Antilles Holdings Limited	47	47	97		\$ 12,571.76	
435,000	Chemalloy Minerals Limited				27	\$ 98,329.61	
150,000	Chesterville Mines Limited				10	\$ 33,684.49	
150,000	Jacobus Mining Corporation				10	\$ 34,184.49	
20,250	Alator Corporation Limited	3	3	3			
15,000	Alator Corporation Limited				3		
37,500	Amphill Investments Limited						1/8 interest in Barrister-Guggenheim joint venture
37,500	J. G. P. Pendarves						1/8 interest in Barrister-Guggenheim joint venture
1,500,000		100	100	100	50	\$ 182,394.88	



# INTERNATIONAL BIBI

(Formerly Bibis

Incorporated un

## Balance Sheet -

### Assets

#### CURRENT ASSETS:

Cash .....	\$87,658.94	
Accounts receivable .....	34,597.69	
Government of Canada bond, including accrued interest (market value \$908.00) .....	940.00	123,196.63

MINING CLAIMS (note 3) .....		112,960.00
DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES (note 4) .....		16,458.32
INVESTMENT IN ENGLISH MINING PROPERTIES (note 5) .....		250,476.24

\$503,091.19

The accompanying notes are an integral part of this statement.

Approved on behalf of the Board:

C. W. E. SCOTT, Director.

C. M. BAHM, Director.



# BIBIS TIN MINES LIMITED

(Bibis Tin Mines Limited)

under the laws of Ontario

December 31, 1965

## Liabilities

### CURRENT LIABILITIES:

Accounts payable and accrued liabilities .....	\$ 11,575.09
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### Shareholders' Equity

#### CAPITAL STOCK (note 6):

Authorized, 4,000,000 shares, par value \$1.00 each

Issued, 1,440,401 shares .....	\$1,440,401.00
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Deduct Discount thereon .....	1,038,560.00	401,841.00
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CONTRIBUTED SURPLUS ARISING ON REORGANIZATION (note 6) .....	832,164.00
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1,234,005.00

DEFICIT .....	742,488.90	491,516.10
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\$503,091.19

## Auditors' Report

To the Shareholders of

INTERNATIONAL BIBIS TIN MINES LIMITED:

We have examined the balance sheet of International Bibis Tin Mines Limited (formerly Bibis Yukon Mines Limited) as at December 31, 1965 and the statements of deficit and deferred exploration and development expenditures for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and related statements of deficit and deferred exploration and development expenditures present fairly the financial

position of the company as at December 31, 1965 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change in accounting practice explained in note 1, which change we approve.

THORNE, MULHOLLAND, HOWSON &

McPHERSON,

Chartered Accountants.

Toronto, Canada,  
May 9, 1966.



# INTERNATIONAL BIBIS TIN MINES LIMITED

## Notes to Financial Statement

Year ended December 31, 1965

### 1. CHANGE IN ACCOUNTING PRACTICE:

In prior years administration and general expenditures have been reflected in the balance sheet as an asset, being included in preproduction expenditures. For the current year these expenditures are reflected in the statement of deficit; deferred administration and general expenditures at beginning of year have been written off to deficit.

### 2. SUPPLEMENTARY LETTERS PATENT:

By Supplementary Letters Patent dated March 5, 1965, the company:

- changed its name from Bibis Yukon Mines Limited to International Bibis Tin Mines Limited.
- decreased authorized capital from \$7,500,000.00 to \$2,358,396.00 by cancelling pro rata 5,141,604 issued shares.
- increased authorized capital from \$2,358,396.00 to \$4,000,000.00 by creating an additional 1,641,604 shares of the par value of \$1.00 each, to rank on a parity with the existing shares of the company.

### 3. MINING CLAIMS:

6 claims in the Mayo District in the Yukon Territory held under a 21 year lease expiring 1978, acquired for 175,000 shares of capital stock as reorganized and \$20,000.00 cash .....	107,500.00
60% interest in 43 claims in Thackery Township, Ontario, acquired for cash .....	5,460.00
	<u>\$112,960.00</u>

### 4. DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES:

	Balance at beginning of year	Expenditures during year	Transferred to deficit	Balance at end of year
Mayo District .....	7,130.86			7,130.86
Thackery Township .....	1,354.62	7,972.84		9,327.46
Loveland Township .....	5,676.14	391.58	6,067.72	
	<u>\$14,161.62</u>	<u>\$8,364.42</u>	<u>\$6,067.72</u>	<u>\$16,458.32</u>

### 5. INVESTMENT IN ENGLISH MINING PROPERTIES:

Investment in shares of Cornish Explorations Limited, at cost .....	15,600.00
Advances .....	201,424.24
	<u>217,024.24</u>
Investment in shares of Tolgarrick Tin Limited, at cost .....	30.00
Advances .....	14,170.00
Advance to Rosewarne Tin Limited for exploration .....	19,252.00
	<u>\$250,476.24</u>

### 6. CAPITAL STOCK:

	No. of shares and par value	Discount (premium)	Net
(a) Balance at beginning of year .....	6,427,005	5,386,800.00	1,040,205.00
Reduction by Supplementary Letters Patent (note 2(b)) ...	5,141,604	4,309,440.00	832,164.00
	<u>1,285,401</u>	<u>1,077,360.00</u>	<u>208,041.00</u>
Shares subsequently issued:			
For cash .....	150,000	(37,500.00)	187,500.00
For services .....	5,000	( 1,300.00)	6,300.00
BALANCE AT END OF YEAR .....	<u>1,440,401</u>	<u>\$ 1,038,560.00</u>	<u>\$401,841.00</u>

- Pursuant to an agreement dated March 23, 1965 amended October 5, 1965, the company issued 50,000 shares of capital stock at \$1.25 per share subsequent to the balance sheet date. An option on 200,000 shares at \$1.50 per share has been allowed to lapse.

- During the year the company issued 5,000 fully paid shares of capital stock as a finder's fee and agreed to issue a further 10,000 escrowed shares upon completion of a shaft to a depth of 300 feet on the Cornish Explorations Limited property.

### 7. COMMITMENTS:

- The company agreed upon the acquisition of a 10% interest in Tolgarrick Tin Limited to advance to that company approximately £8,000 (\$24,000). The company had advanced £4,702 to the balance sheet date and has advanced a further £4,000 subsequent to the balance sheet date.
- The company has agreed to expend in excess of \$7,500.00 on exploration and development of the Rosewarne Tin Limited property.



# INTERNATIONAL BIBIS TIN MINES LIMITED

## *Statement of Deficit*

*Year ended December 31, 1965*

Deficit at beginning of year .....			\$585,892.07
ADD:			
Option on mining claims, Loveland Township, abandoned and written off .....	\$3,000.00		
Related exploration and development expenditures .....	6,067.72	9,067.72	
Administration and general expenditures of prior years written off .....		\$90,680.19	
Administration and general expenditures for current year:			
Administration fee .....	9,000.00		
Finder's fee .....	6,300.00		
Legal and audit .....	12,769.33		
Telephone and telegraph .....	5,238.65		
Meetings and reports .....	7,579.01		
Travel .....	7,217.61		
Transfer agent's, filing and listing fees .....	5,232.64		
Postage and stationery .....	709.76		
Directors' fees .....	125.00		
General expense .....	418.68		
	54,590.68		
Less Interest earned .....	1,628.45	52,962.23	
General services of consultants and expenses .....		3,886.69	156,596.83
DEFICIT AT END OF YEAR .....			<u>\$742,488.90</u>

## *Statement of Deferred Exploration and Development Expenditures*

*Year ended December 31, 1965*

Balance at beginning of year .....			\$14,161.62
Expenditures for year:			
Consultants' fees .....		156.81	
Drilling .....		5,678.01	
Surveys .....		2,529.60	8,364.42
			22,526.04
Exploration and development on mining claims abandoned, transferred to deficit			<u>6,067.72</u>
DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES ON MINING CLAIMS IN GOOD STANDING .....			<u>\$16,458.32</u>

Scale: 1 in. to 63 mi.

WALES

Cardiff

ENGLAND

INTERNATIONAL BIBIS

Plymouth

Camborne

English  
Channel

FRANCE

CORNWALL

CAMBORNE

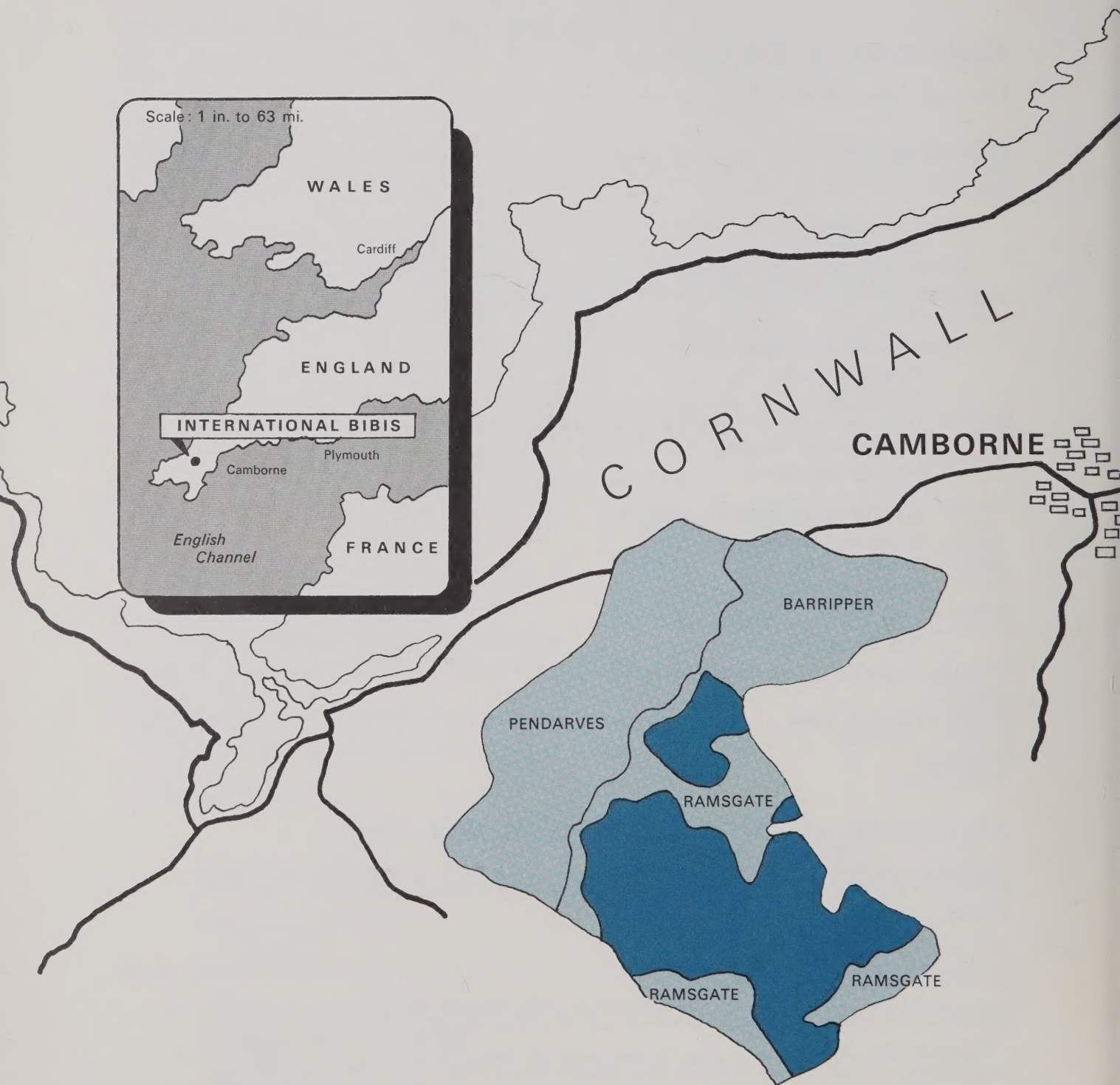
BARRIPPER

PENDARVES

RAMSGATE

RAMSGATE

RAMSGATE





*Legend:*



Int. Bibis property before consolidation — (20% interest in 213 acres).



Int. Bibis property after consolidation — (40% interest in 731 acres).

